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County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
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March 29, 2005

Board of Supervisors

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To: Supervisor Gloria Molina, Chair
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Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: David Sanders, Ph. D. 
Director

**MARCH 15, 2005 BOARD AGENDA ITEM #2 - AMENDING MOTION BY
SUPERVISOR DON KNABE RE: CURRENT GROUP HOME RATE SETTING
SYSTEM**

On March 15, 2005, in response to an amending motion by Supervisor Don Knabe, the Board ordered the Department of Children and Family Services to provide a report to the Board within two weeks on the current group home rate setting system.

The California Department of Social Services, Foster Care Funding and Rates Bureau Division (FCFRB), establishes the rates for all group homes in the State of California where the state and federal governments participate in the cost of placement for AFDC-FC (Aid to Families with Dependent Children-Foster Care) eligible children. Group home foster care costs are financed using approximately 30% Federal, 28% State and 42% Net County funds. Providers are paid a "per child per month" rate in return for the care and supervision of children placed with them. *Senate Bill 370* mandated the current rate setting system that went into effect on July 1, 1990. In this system there are 14 Rate Classification Levels (RCL). A facility's RCL is determined by their point range, which is directly related to the level of services the facility provides in three service areas:

- ☐ Child care and supervision.
- ☐ Social work activities.
- ☐ Mental health treatment services.

The RCL established from these three service areas is designed to also pay for other costs such as administration, support staff, lease/mortgage costs, food, clothing, supplies, and children's allowances. Attached please find three documents which detail the RCL system.

Attachment I has in column 1 the 14 Rate Classification Levels and the point range for each RCL. Column 13 in bold font has the rates paid per month per child for each RCL effective 7-1-2001. (The rates have not changed since 7-1-2001 because there were no cost-of-living increases in 7-1-2002, 7-1-2003, and 7-1-2004. There also were no cost-of-living increases in 7-1-1995, 7-1-1996, and 7-1-1997.)

Attachment II gives a brief one-page summary on how the points are calculated for each of the three service areas. The service hours for each child care and supervision staff are weighted to give additional points based on their amounts of residential child care experience, formal education, and on-going training. The service hours of each social work and mental health staff are weighted to give additional points for their professional levels/professional licenses. The total weekly weighted hours from all three service areas are multiplied by 4.33 (to determine the total monthly weighted hours) and are then divided by 90% of the facility's licensed capacity (or 5.4, whichever is greatest) to determine the point range and RCL.

Attachment III gives the same information as Attachment II except that it goes into more detail on how to determine the weight of the service hours for each of the three service areas on pp. 1-5. (Pp. 6-7 and "Attachment A" of Attachment III deal with other related issues about allocation of hours between different functions by the same staff member, funding from other sources, documentation requirements, and a definition of Social Work Activities.)

The Department of Children and Family Services and the Probation Department also contract with two Community Treatment Facilities (CTFs): Vista Del Mar and Starview. CTFs are State licensed facilities designed to provide an alternative to State hospital or out-of-state placement for youth with multiple, complex and enduring needs. Vista Del Mar receives the RCL 14 rate plus \$3760 child supplemental funding per month, per child. Starview receives the RCL 14 rate plus \$2500 child supplemental funding per month, per child.

In addition to the RCL rate, RCL 12 and above group home providers also bill MediCal for case management, medical services and therapeutic interventions for children at their residential facilities. MediCal funding, through the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program, reimburses for child specific mental health-related rehabilitative services, such as individual or group therapy,

case management, other therapeutic activities and day treatment intensive services. Not all children at a facility may be MediCal eligible for these EPSDT services.

On June 15, 2005, pursuant to amending motions from Supervisors Don Knabe and Yvonne B. Burke, the Department will provide a written report to the Board on proposals to modify the rate setting structure for group homes, including potential legislative changes, as well as implementation and transition strategies, including a proposed timeline for implementation. The Department is in the process of convening a "Children's Group Home Workgroup" to meet intensively over the next few months to develop these proposals, and will hold a meeting with all group home providers in April 2005 as part of this process.

The Department is already participating in a statewide collaborative workgroup of stakeholders including the California Alliance of Child and Family Services and the County Welfare Directors Association, to prepare a package of policy and fiscal reforms for consideration by the Administration and the Legislature in 2006.

If you have questions, please call me or your staff may contact Helen Berberian, Board Relations Manager, at (213) 351-5530.

DS:LP:ES:WK:ro

Attachments

c: Chief Administrative Officer
Executive Office, Board of Supervisors
County Counsel

GROUP HOME RATES FROM JULY 1, 1990
(Rates Effective 7-1-2001 in Double-Lined Column)

RCL LEVELS (AND POINTS)	[Adjusted Points in Brackets for FYs 02-03, 03-04, and 04-05]	7-1-90 TO 6-30-91 (SB 370)	7-1-91 TO 6-30-92 (SB 370)	7-1-92 TO 9-13-92 (SB 370)	9-14-92 TO 6-30-93 (SB 485)	7-1-93 TO 6-30-94 (SB 35)	7-1-94 TO 6-30-98 (AB 67 Ch 606 Statute 1997)	7-1-98 TO 6-30-99 (SB 933)	7-1-99 TO 12-31-99 (AB 1111)	1-1-00 TO 6-30-00 (AB 1111)	7-1-00 TO 12-31-00 (AB 1740)	1-1-01 TO 6-30-01 (AB 2876 Ch 108 Statute 2000)	7-1-01 TO (SB 739, Ch 106 Statutes of 2001)	RCL LEVELS
1 (0-59) [Under 54]		\$1006	\$1094	\$1204	\$1094	\$1124	\$1183	\$1254	\$1284	\$1314	\$1353	\$1387	\$1454	1
2 (60-89) [54-81]		1256	1367	1505	1367	1404	1478	1567	1604	1642	1691	1750	1835	2
3 (90-119) [82-110]		1507	1640	1805	1640	1684	1773	1879	1923	1968	2026	2108	2210	3
4 (120-149) [111-138]		1757	1912	2104	1912	1964	2067	2191	2243	2296	2364	2469	2589	4
5 (150-179) [139-167]		2006	2183	2403	2183	2242	2360	2502	2561	2621	2699	2829	2966	5
6 (180-209) [168-195]		2258	2457	2704	2457	2523	2656	2815	2881	2949	3036	3189	3344	6
7 (210-239) [196-224]		2508	2729	3003	2729	2803	2950	3127	3201	3277	3374	3551	3723	7
8 (240-269) [225-253]		2758	3002	3304	3002	3083	3245	3440	3521	3604	3711	3912	4102	8
9 (270-299) [254-281]		3008	3274	3603	3274	3362	3539	3751	3840	3931	4047	4272	4479	9
10 (300-329) [282-310]		3259	3546	3903	3546	3642	3834	4064	4160	4258	4384	4633	4858	10
11 (330-359) [311-338]		3508	3817	4202	3817	3921	4127	4375	4478	4584	4720	4992	5234	11
12 (360-389) [339-367]		3760	4091	4503	4091	4202	4423	4688	4799	4912	5057	5353	5613	12
13 (390-419) [368-395]		4012	4366	4805	4366	4484	4720	5003	5121	5242	5397	5717	5994	13
14 (420+) [396 and up]		4261	4637	5104	4637	4762	5013	5314	5439	5567	5732	6076	6371	14
For Baby with Mother in Group Home		?	?	?	?	?	708	750	768	786	809	809	848	

NOTE: The 1-1-2001 rate increase was issued if and only if the group home provider returned to the Foster Care Funding and Rates Bureau a signed certification form that certified the increase would be used for salary or benefits increases of child care workers or social workers or for additional staff.

WH:wh

GH Rates Table 2/14/05-C8

KEY ELEMENTS OF THE RATE CLASSIFICATION LEVEL (RCL) SYSTEM

Rates are established under the RCL system, which classifies all group home programs into one of fourteen RCLs, according to the level of care and services provided.

The RCL process uses a point system to measure the level or intensity of care and services provided.

Points are based on the number of "per child per month" hours of service provided in the following three RCL program components:

- o Child Care and Supervision
 - o Social Work Activities
 - o Mental Health Treatment Services
1. For Child Care and Supervision, each hour of service provided is weighted by 1.0 for the minimum level.

Additional points (weightings) are computed based upon each child care worker's level of experience, education and on-going training.

2. For Social Work Activities, the number of service hours provided are weighted (assigned points) based on the professional level of each social worker providing these services.

3. For Mental Health Treatment Services, the number of direct hours (individual and group therapy only) are weighted (assigned points) based on the professional licensing status of the person providing these services.

The "per child per month" hours are computed by dividing the number of hours of service provided per month in each of these three program components by 90% of a program's licensed capacity.

- o 5.4 must be used as the dividing factor if the program's licensed capacity is less than six.

Hours counted for Child Care and Supervision points are limited to PAID-AWAKE HOURS. The PAID-AWAKE hours limitation also applies to Social Work Activities and Mental Health Treatment Services. Volunteer time or internship hours that are not paid at an approved amount are disallowed.

In computing a group home program's point level for classification purposes, no more than 54 HOURS PER WEEK will be counted for any group home staff, regardless of the number of hours that each staff person actually works.

August 30, 1989

DEPARTMENT OF SOCIAL SERVICES
FOSTER CARE PROGRAM BUREAU

THE CLASSIFICATION OF GROUP HOME PROGRAMS
UNDER THE STANDARDIZED SCHEDULE OF RATES SYSTEM

INTRODUCTION

All group home providers will be classified into one of fourteen (14) Rate Classification Levels (RCLs) according to the level of care and services they provide.

The Program Classification process uses a point system to measure the level or intensity of care and services provided.

Points are based on the number of hours per child per month of service provided in the following three components:

- Child Care and Supervision
- Social Work Activities
- Mental Health Treatment Services

The hours "per child" are computed by dividing the number of hours of service provided per month in each of these three program components by the greater of :

- a. 90 percent of the program's licensed capacity, or
- b. 5.4.

The 5.4 minimum occupancy standard represents 90 percent occupancy in a group home licensed for six.

PROGRAM COMPONENTS

1. CHILD CARE AND SUPERVISION: Number of hours (per child per month) of Child Care and Supervision (CCS) provided.

These hours are weighted by a factor of 1.0 for the minimum level.

Additional points are computed for hours of CCS provided by staff whose experience, education, and/or ongoing training exceeds specified minimum levels.

Experience in Residential Child Care: Additional points will be given for each hour of CCS by staff with 24 months or more of residential child care experience and will be weighted as follows:

- | | | |
|----|-------------------|------|
| a. | 24-47 months: | 0.15 |
| b. | 48 months or more | 0.25 |

Formal Education: Additional points will be given for each hour of CCS by staff with at least two years of education from an accredited college and will be weighted as follows:

- | | | |
|----|--|------|
| a. | 60 semester units (or its equivalent) from an accredited college or university. The Department may accept fewer units to meet this criterion if they are in an area directly relevant to the provision of services to foster care children to be served by the group home program in question: | 0.05 |
| b. | Bachelor's degree or above in a major not listed in c., below: | 0.10 |
| c. | Bachelor's degree in one of the following:

Child Development
Child Psychology
Counseling and Guidance
Counseling Psychology
Early Childhood Education
Human Services
Nursing
Social Psychology
Social Science
Social Welfare
Social Work
Sociology
Other disciplines approved by the Department as directly relevant to the provision of services to foster care children to be served by the group home program in question: | |
| | | 0.25 |
| d. | Master's degree or above in:

Marriage, Family and Child Counseling;
Special Education;
Majors listed in c., above; or
Other disciplines as approved by the Department as directly relevant to the provision of services to foster care children to be served by the group home program in question: | |
| | | 0.40 |
-

On-going Training: Additional points will be given for each hour of CCS if the program provides its CCS staff with 40 or more hours of formal on-going training, per person per year, provided in accordance with a training plan approved by the Department.

If a program meets this criterion, all of its CCS hours are weighted by 0.10.

The maximum additional weighting for hours (per child per month) of the most experienced, educated, and trained CCS staff is 0.75.

2. **SOCIAL WORK ACTIVITIES:** Number of hours (per child per month) of Social Work Activities provided. Social Work Activities are defined in Attachment A.

These hours are weighted according to the professional level of the person providing the Social Work Activities.

Licensed Clinical Social Worker (LCSW)	2.5
Licensed Marriage, Family and Child Counselor (LMFCC)	2.5
Master's of Social Work (MSW) (60 Units)	2.0
Master's of Science in Counseling (MSC) (60 Units)	2.0
Master's (30 Units) in a discipline which would enable the person to sit for the LMFCC exam	1.75
Bachelor of Social Work (BSW) with at least two years of experience	1.5

The hours for Social Work Activities provided on a contractual basis will be weighted an additional 2.0 only if the following qualifications exist: 1) the person providing the Social Work Activities is not on the payroll, i.e., not an employee of the group home; and 2) the contracted hours are limited to only direct contact with the children placed.

As an example of a weighting for a LCSW under contract: one hour of service X 2.5 LCSW weighting X 2.0 contractor weighting = 5.0 weighted hours.

The inclusion of the additional weighting is in recognition of the higher pay per hour in these contracts and assumes time for necessary activities such as preparation and documentation, which are attendant to Social Work Activities, will be provided by the social worker during hours not included in the contract.

3. **MENTAL HEALTH TREATMENT SERVICES:** Number of hours (per child per month) of Mental Health Treatment Services provided by licensed mental health professionals.

These hours are weighted according to the professional level of the person providing the Mental Health Treatment Services.

Psychiatrist	5.0
Psychologist	5.0
LCSW	2.5
LMFCC	2.5

These hours include only direct contact time between the children and the mental health professionals. They do not include "consultation on program design" with group home administrators and program directors or "staffings" at which the mental health professional discusses a child's case with other group home staff.

No program is allowed more than 30 points for Mental Health Treatment Services. The 30 point "cap" counts up to 6 hours per child per month of Mental Health Treatment Services by a Psychiatrist or a Psychologist, or 12 hours per child per month by an LCSW or an LMFCC, or any combination that does not exceed 30 points.

Children enrolled in full-time mental health day treatment programs approved by the Department are considered to be receiving intensive Mental Health Treatment Services.

The three program components that are used for classification purposes include two types of activities that are "allowable" for funding under the AFDC-FC program (Child Care and Supervision and Social Work Activities) and one type of activity that is not "allowable" (Mental Health Treatment Services). However, as a group, they reflect directly or indirectly the legitimate and reasonable costs of the full range of "allowable" AFDC-FC activities.

RATE CLASSIFICATION LEVELS

Based on the point scores derived from the three program components, programs are placed into one of the fourteen Rate Classification Levels.

Each Rate Classification Level covers a 30-point increment.

This increment is approximately equal to the points for hiring, in a six-bed program, an additional half-time child care worker whose experience, education and ongoing training result in weightings equal to those for a "typical" child care worker.

The 30-point increment also means that the amount of Mental Health Treatment Services provided by a program cannot affect its classification by more than one level.

The two highest levels are reserved for group homes which are also licensed as Community Treatment Facilities (CTFs). Programs which are not licensed as CTFs would be placed in one of the lower twelve levels.

PAID-AWAKE HOURS

Hours counted for points in any of the three program components above shall be limited to paid-awake hours. Adjustments may be made for on-call hours or emergencies, as determined appropriate by the Department.

54-HOUR PER WEEK CAP

In computing a group home program's point score for classification purposes, no more than 54 hours per week will be counted for any person, regardless of the number of hours that person actually works.

ALLOCATION OF HOURS AMONG FUNCTIONS

Some group home staff perform more than one function. For the program classification purposes, the group home provider will be required to allocate the hours worked by such staff among the various functions they perform.

For example, the administrator of the group home also spends part of his/her time performing social work activities and supervising child care staff. The provider states that the administrator typically works a 60-hour week, spending 30 hours performing administrative tasks, 15 hours performing Social Work Activities, and 15 hours supervising child care workers. The allocation of the administrator's time is 50% for administration, 25% for social work, and 25% for child care and supervision. The time spent on administration does not fall into one of the three program components and cannot be counted for program classification purposes. Given the 54-hour cap, 13.5 hours (25% of 54 hours) can be counted for program classification purposes as Social Work Activity and 13.5 hours can be counted as Child Care and Supervision. These hours can also be weighted to reflect the administrator's experience, education, ongoing training, and professional qualifications.

FUNDING FROM OTHER SOURCES

The Department recognizes that circumstances may arise when it is not clear whether staff hours associated with a particular activity fall into one of the program components used for classification purposes. Such circumstances will be determined by the Department on a case-by-case basis. As a general rule, however, the source of the revenue received by the group home provider to fund an activity will be used to make this determination.

For example, a group home program may have a staff person with professional qualifications in education who works with the children on their school work outside of the school classroom. Many children in foster care are below grade level and need special attention. If the provider receives funding for this activity through the education system, it is considered an educational activity, which is not one of the three program components used for classification purposes.

However, if the provider is not otherwise funded for this activity, it may be considered a parental-type activity (helping one's child with his/her homework) that is allowable for funding under AFDC-FC and the hours will be counted as Child Care and Supervision for classification purposes. In "gray" areas such as this, considering the source of revenue used to fund an activity will allow the Department to avoid the possibility of duplication of funding from other public sources.

VARIETY OF PROGRAMS WITHIN THE SAME RATE CLASSIFICATION LEVEL

The program classification process is designed to place into the same Rate Classification Level programs that provide the same overall level of care and services. Therefore, even if there are individual differences on the three program components used to determine the point scores of two programs, they may be placed into the same Rate Classification Level.

For example, one program with a two-to-one child-to-staff ratio for Child Care and Supervision using staff with minimal education and experience and another program with three-to-one child-to-staff ratio using staff with the high level of education and experience may be in the same Rate Classification Level as long as their total points scores are within the same 30 point range.

DOCUMENTATION REQUIREMENTS

Group home providers will be required to maintain and make available to the Department, at specified times and in acceptable formats, appropriate documentation to prove that they have actually provided the level of care and services associated with the Rate Classification Level upon which their AFDC-FC rate is established. Failure to provide such proof may result in the termination of a provider's rates, a reduction in a provider's rates, the establishment of an overpayment which the provider is required to pay, and/or other actions determined to be appropriate by the Department.

SOCIAL WORK ACTIVITIES

In order to be considered as social work activities, the employees performing social work activities as described in (A) and (B) shall have at least a master's degree from an accredited or state approved graduate school in social work or social welfare, marriage, family and child counseling, child psychology, child development, counseling psychology, social psychology, or equivalent education and experience, as determined by the Department. Education and experience in psychiatric and/or medical fields shall not be considered as equivalencies for purpose of this regulation. Social Work Activities shall include the following:

- (A) Development of needs and services plan; development of discharge plan; assessment to identify changing needs.
 - 1. Psychological and psychometric testing is not considered a social work activity.
- (B) Interaction (counseling) between the employee and the child and/or others aimed at preparing the child to analyze and better understand the situation is included in Social Work Activities. Specifically, this includes helping the child understand the reason for placement and to handle associated emotional problems, resolving the difficulties between child and family that led to the need for placement, and planning for the return of the child.